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Letter dated 11 June 2000 from the Permanent Representative of Iraq to the United Nations addressed to the Secretary-General

On instructions from my Government, I have the honour to transmit to you herewith a letter dated 10 June 2000 from Mr. Mohammed Said Al-Sahaf, Minister for Foreign Affairs of Iraq, concerning the practices adopted by the United States and the United Kingdom in obstructing and politicizing the oil-for-food programme under the memorandum of understanding of 20 May 1996 for the purpose of harming Iraq and causing its people further suffering.

I should be grateful if you would have the present letter and its annex circulated as a document of the Security Council.

(*Signed*) Saeed H. **Hasan**
Ambassador
Permanent Representative

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Annex to the letter dated 11 June 2000 from the Permanent Representative of Iraq to the United Nations addressed to the Secretary-General

More than three years have elapsed since the memorandum of understanding of 20 May 1996 between Iraq and the United Nations was first put into effect. During that time the Government of Iraq has been committed to making a success of the related programme as a temporary and exceptional measure intended to mitigate the burden of the unjust and inhuman embargo imposed on the people of Iraq, just as it has at the same time sought the complete and definitive elimination of this iniquitous embargo. To this end, Iraq has cooperated with the United Nations in giving effect to the provisions of the memorandum of understanding and has made all the necessary arrangements to ensure that they are implemented in an enterprising and objective manner.

When the Government of Iraq agreed to put the memorandum of understanding into effect, it had been its interpretation of the letter and spirit of the memorandum that what was involved was a temporary measure, as had been clearly and explicitly stated in the third preambular paragraph of resolution 986 (1995). In addition to being temporary, it was also a humanitarian measure that had nothing whatever to do with the tendentious policies pursued by certain parties in the Security Council that are hostile to Iraq, specifically the United States of America and the United Kingdom. From the first day the oil-for-food programme went into effect, these two countries have sought to politicize a purely humanitarian enterprise and to turn it into an instrument of their anti-Iraq foreign policy so that they can persist in harming the people of Iraq, exacerbating its suffering, making its day-to-day life more difficult and killing more of its children, women, and elderly. Their policy of deflecting the implementation of the memorandum of understanding from its humanitarian purpose has caused many fair-minded people in the world, among them United Nations officials, to raise their voices in protest. Nothing has been more indicative of this than the resignations of the two previous United Nations Coordinators in Iraq, Dennis Halliday and Hans von Sponeck, in 1998 and 2000 respectively, and of the Director of the World Programme in Iraq, Jutta Burghardt, in January 2000.

The policy of the United States and the United Kingdom in this respect has taken the form of placing holds on contracts for civilian goods and medicines concluded by the relevant Iraqi authorities with overseas companies under the terms of the memorandum of understanding and submitted to the Security Council Committee established by resolution 661 (1990) after satisfying the procedural conditions established by the Secretariat in accordance with the procedures adopted by the Committee on 30 January 1998 for the purpose of giving effect to the memorandum of understanding (document S/1998/92, annex). Paragraph 4 (b) (ix) of the document states that:

> "... Applications will be screened and reviewed by the Secretariat ... . The Secretariat should circulate all applications that meet the requirements of the Committee's procedures and are consistent with the distribution plan. ... ."

It will thus be clear to you that all of the contracts concluded by Iraq and submitted to the Committee will have been examined and will have met all of the procedural

requirements of the procurement and distribution plans already approved by the Secretary-General. Their approval should therefore be only a formality.

The United States and British Governments, however, ignoring the true state of affairs, seek pretexts in flimsy, illogical and sometimes absurd reasons and arguments in order to place contracts on hold or to block them. Their representatives have constantly pursued a malicious policy in that respect, and they sometimes approve the importation of an item of equipment and place a hold on a particular part that is essential to its operation so that it cannot be used and is put aside while awaiting the delivery of the part that is indispensable. They sometimes block contracts concluded with companies in particular countries and then, some time later, approve contracts for the same items from a different source. The representatives of the United States and the United Kingdom also place holds on contracts on the pretext that they are for dual-use items. Another of the strange reason they give that must be rejected is that the contracted items can be used for the manufacture of weapons. On many occasions they pursue a policy of discriminating between Iraqis in order to sow dissention among them, and they approve the importation of certain items of equipment for Iraq's three northern governorates (Dohuk, Irbil and Sulaymaniyah) while placing on hold contracts for the same items destined for the central and southern governorates.

I should like in this connection to place before you certain facts and information concerning the practices of the representatives of the United States and the United Kingdom in the Committee as they relate to placing holds on contracts. The representatives of the Governments of these two countries have placed holds on 1,185 applications pertaining to all sectors under phases IV, V, VI and VII of the implementation of the memorandum of understanding. The total value of the contracts on hold is more than $1,680 million. The table that appears hereunder gives the number and the total value in millions of dollars, by sector, of contracts on hold according to the status of contracts issued by the Office of the Iraq Programme on 30 May 2000.

	Phase IV		*Phase V*		*Phase VI*		*Phase VII*		*Total*	
Sector	*Number*	*Value*	*Number*	*Value*	*Number*	*Value*	*Number*	*Value*	*Number*	*Value*
Oil	74	35.67	158	106.40	323	182.40	44	24.24	599	348.71
Agriculture	1	0.45	2	1.47	43	107.28	14	23.07	60	132.33
Water and sanitation	2	11.23	10	20.06	45	110.29	1	0.40	58	141.58
Health	4	2.53	34	44.17	57	106.43	4	11.76	99	164.90
Education	4	1.63	11	7.11	74	56.26	1	0.88	90	65.88
Electricity	-	-	45	86.01	92	313.31	29	23.07	166	424.28
Communications	-	-	6	93.10	40	84.46	13	32.85	59	210.59
Food handling	-	-	-	-	48	149.17	6	42.45	54	191.62
Total	**85**	**51.61**	**266**	**358.32**	**722**	**1 109.60**	**112**	**158.78**	**1 185**	**1 680.09**

I should next like to refer to some of the facts concerning the financial revenues realized from the sale of Iraqi oil under the terms of the memorandum of understanding that are given in annex I to your report to the Security Council of

1 June 2000 (document S/2000/520). The figures show that the United Nations is holding a financial surplus of some $400 million because of the increased amounts being withheld for the administrative expenses of the United Nations. This is at a time when the annual per capita share of Iraqi citizens in the revenues accruing under the memorandum of understanding is $250. As you are aware, this is a very small amount and it most assuredly does not meet humanitarian needs as established in accordance with international standards. I therefore urge you to endeavour to see to it that the amounts that are surplus to the needs of the United Nations are reassigned to the procurement of goods to meet the humanitarian needs of Iraqi citizens instead of being retained unused in United Nations accounts. We also hope that you will endeavour to urge the Security Council to reconsider the percentages of Iraqi revenues that are withheld for certain accounts, particularly the Compensation Commission account (30 per cent), the account for the administrative expenses of the United Nations (2.2 per cent) and the account for the defunct Special Commission (0.8 per cent). Additional sums can thus be made available for disbursement to meet the humanitarian needs of the Iraqi people.

As I am presenting these facts to you, I should also like to refer to paragraph 84 of your report to the Security Council of 10 March 2000 (S/2000/208), which states as follows:

> "... there is an urgent need to review further the procedures related to the approval of applications with a view to reducing the excessive number of holds placed on applications, which have been affecting adversely the overall implementation of the programme ..."

I urge you to intervene with a view to remedying the anomalous situation being created by the Governments of the United States and the United Kingdom and to convey to them that they must desist from the pursuit of a policy of harming Iraq and inflicting further suffering on its people and that they bear full international responsibility for their hostile, illegal and unwarranted actions directed against Iraq and its people. The Governments in Washington and London must come to understand that the criminal policy they are pursuing against Iraq, which causes large numbers of deaths among children, women and the elderly on a daily basis, will not score the United States and the United Kingdom any gains and will only bring them shame and ignominy for the present and in the future.

(*Signed*) Mohammed Said **Al-Sahaf**
Minister for Foreign Affairs of the Republic of Iraq